

# Calendar No. 278

117TH CONGRESS  
2D SESSION

# S. 1617

To modify the requirements for the Administrator of the Small Business Administration relating to declaring a disaster in a rural area, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 13, 2021

Mr. RISCH (for himself, Mrs. SHAHEEN, Ms. HASSAN, Mr. KENNEDY, and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

FEBRUARY 17, 2022

Reported by Mr. CARDIN, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

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# A BILL

To modify the requirements for the Administrator of the Small Business Administration relating to declaring a disaster in a rural area, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Disaster Assistance  
5       for Rural Communities Act”.

1   **SEC. 2. DISASTER DECLARATION IN RURAL AREAS.**

2       (a) **IN GENERAL.**—Section 7(b) of the Small Busi-  
3 ness Act (15 U.S.C. 636(b)) is amended by inserting after  
4 paragraph (15) the following:

5                 “(16) **DISASTER DECLARATION IN RURAL**  
6 **AREAS.**—

7                 “(A) **DEFINITIONS.**—In this paragraph—

8                     “(i) the term ‘rural area’ means an  
9                     area with a population of less than  
10                     200,000 outside an urbanized area; and

11                     “(ii) the term ‘significant damage’  
12                     means, with respect to property, uninsured  
13                     losses of not less than 40 percent of the es-  
14                     timated fair replacement value or pre-dis-  
15                     aster fair market value of the damaged  
16                     property, whichever is lower.

17                 “(B) **DISASTER DECLARATION.**—For the  
18                     purpose of making loans under paragraph (1)  
19                     or (2), the Administrator may declare a disaster  
20                     in a rural area for which a major disaster was  
21                     declared by the President under section 401 of  
22                     the Robert T. Stafford Disaster Relief and  
23                     Emergency Assistance Act (42 U.S.C. 5170)  
24                     if—

1               “(i) the Governor of the State in  
2               which the rural area is located requests  
3               such a declaration; and

4               “(ii) any home, small business con-  
5               cern, private nonprofit organization, or  
6               small agricultural cooperative has incurred  
7               significant damage in the rural area.

8               “(C) SBA REPORT.—Not later than 120  
9               days after the date of enactment of this para-  
10               graph, and every year thereafter, the Adminis-  
11               trator shall submit to the Committee on Small  
12               Business and Entrepreneurship of the Senate  
13               and the Committee on Small Business of the  
14               House of Representatives a report on, with re-  
15               spect to the 1-year period preceding submission  
16               of the report—

17               “(i) any economic injury that resulted  
18               from a major disaster declared by the  
19               President under section 401 of the Robert  
20               T. Stafford Disaster Relief and Emergency  
21               Assistance Act (42 U.S.C. 5170) in a rural  
22               area;

23               “(ii) each request for assistance made  
24               by the Governor of a State under subparagraph  
25               (B)(i) and the response of the Ad-

1 ministrator, including the timeline for each  
2 response; and

3 “(iii) any regulatory changes that will  
4 impact the ability of communities in rural  
5 areas to obtain disaster assistance under  
6 this subsection.”.

7 (b) REGULATIONS.—Not later than 120 days after  
8 the date of enactment of this Act, the Administrator of  
9 the Small Business Administration shall issue regulations  
10 to carry out the amendment made by subsection (a).

11 (c) GAO REPORT.—

12 (1) DEFINITION OF RURAL AREA.—In this sub-  
13 section, the term “rural area” means an area with  
14 a population of less than 200,000 outside an urban-  
15 ized area.

16 (2) REPORT.—Not later than 1 year after the  
17 date of enactment of this Act, the Comptroller Gen-  
18 eral of the United States shall submit to the Com-  
19 mittee on Small Business and Entrepreneurship of  
20 the Senate and the Committee on Small Business of  
21 the House of Representatives a report on—

22 (A) any unique challenges that commu-  
23 nities in rural areas face compared to commu-  
24 nities in urbanized areas when seeking to obtain

1           disaster assistance under section 7(b) of the  
2           Small Business Act (15 U.S.C. 636(b)); and  
3           (B) legislative recommendations for im-  
4           proving access to disaster assistance for com-  
5           munities in rural areas.

6 **SECTION 1. SHORT TITLE.**

7           *This Act may be cited as the “Disaster Assistance for  
8           Rural Communities Act”.*

9 **SEC. 2. DISASTER DECLARATION IN RURAL AREAS.**

10          (a) *IN GENERAL.—Section 7(b) of the Small Business  
11         Act (15 U.S.C. 636(b)) is amended by inserting after para-  
12         graph (15) the following:*

13           “(16) *DISASTER DECLARATION IN RURAL  
14         AREAS.—*

15           “(A) *DEFINITIONS.—In this paragraph—*  
16            “(i) *the term ‘rural area’ means any  
17         county or other political subdivision of a  
18         State, the District of Columbia, or a terri-  
19         tory or possession of the United States that  
20         is designated as a rural area by the Bureau  
21         of the Census; and*

22            “(ii) *the term ‘significant damage’  
23         means, with respect to property, uninsured  
24         losses of not less than 40 percent of the esti-  
25         mated fair replacement value or pre-dis-*

1                   *aster fair market value of the damaged  
2                   property, whichever is lower.*

3                   “(B) *DISASTER DECLARATION.*—For the  
4                   purpose of making loans under paragraph (1) or  
5                   (2), the Administrator may declare a disaster in  
6                   a rural area for which a major disaster was de-  
7                   clared by the President under section 401 of the  
8                   Robert T. Stafford Disaster Relief and Emer-  
9                   gency Assistance Act (42 U.S.C. 5170) and for  
10                  which individual assistance was not authorized  
11                  under section 408 of such Act (42 U.S.C. 5174)  
12                  if—

13                  “(i) the Governor of the State or the  
14                  Chief Executive of the Indian tribal govern-  
15                  ment in which the rural area is located re-  
16                  quests such a declaration; and

17                  “(ii) any home, small business concern,  
18                  private nonprofit organization, or small ag-  
19                  ricultural cooperative has incurred signifi-  
20                  cant damage in the rural area.

21                  “(C) *SBA REPORT.*—Not later than 120  
22                  days after the date of enactment of this para-  
23                  graph, and every year thereafter, the Adminis-  
24                  trator shall submit to the Committee on Small  
25                  Business and Entrepreneurship of the Senate

1           *and the Committee on Small Business of the  
2           House of Representatives a report on, with re-  
3           spect to the 1-year period preceding submission  
4           of the report—*

5           “*(i) any economic injury that resulted  
6           from a major disaster declared by the Presi-  
7           dent under section 401 of the Robert T.  
8           Stafford Disaster Relief and Emergency As-  
9           sistance Act (42 U.S.C. 5170) in a rural  
10          area;*

11          “*(ii) each request for assistance made  
12          by the Governor of a State or the Chief Ex-  
13          ecutive of an Indian tribal government  
14          under subparagraph (B)(i) and the response  
15          of the Administrator, including the timeline  
16          for each response; and*

17          “*(iii) any regulatory changes that will  
18          impact the ability of communities in rural  
19          areas to obtain disaster assistance under  
20          this subsection.”.*

21          *(b) REGULATIONS.—Not later than 120 days after the  
22          date of enactment of this Act, the Administrator of the  
23          Small Business Administration shall issue regulations to  
24          carry out the amendment made by subsection (a).*

25          *(c) GAO REPORT.—*

1                   (1) *DEFINITION OF RURAL AREA.*—In this sub-  
2 section, the term “rural area” means any county or  
3 other political subdivision of a State, the District of  
4 Columbia, or a territory or possession of the United  
5 States that is designated as a rural area by the Bu-  
6 reau of the Census.

7                   (2) *REPORT.*—Not later than 1 year after the  
8 date of enactment of this Act, the Comptroller General  
9 of the United States shall submit to the Committee on  
10 Small Business and Entrepreneurship of the Senate  
11 and the Committee on Small Business of the House  
12 of Representatives a report on—

13                   (A) any unique challenges that communities  
14 in rural areas face compared to communities in  
15 urbanized areas when seeking to obtain disaster  
16 assistance under section 7(b) of the Small Busi-  
17 ness Act (15 U.S.C. 636(b)); and

18                   (B) legislative recommendations for improv-  
19 ing access to disaster assistance for communities  
20 in rural areas.



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